

PATENT

Serial No. 09/650,733

Attorney Docket No. 1011-002

REMARKS

The Examiner is respectfully thanked for the consideration provided to this application. Reconsideration of this application is respectfully requested in light of the foregoing amendments and the following remarks.

Each of claims 1, 47-100, 112-114, and 136-139 has been amended for at least one reason unrelated to patentability, including at least one of: to explicitly present one or more elements implicit in the claim as originally written when viewed in light of the specification, thereby not narrowing the scope of the claim; to detect infringement more easily; to enlarge the scope of infringement; to cover different kinds of infringement (direct, indirect, contributory, induced, and/or importation, etc.); to expedite the issuance of a claim of particular current licensing interest; to target the claim to a party currently interested in licensing certain embodiments; to enlarge the royalty base of the claim; to cover a particular product or person in the marketplace; and/or to target the claim to a particular industry.

Claims 1-139 are now pending in this application. Each of claims 1, 112-114, and 136-139 is in independent form.

1. The Informality Objection

Claim 52 was objected to as allegedly containing an "improper abbreviation" of the phrase "repo funding". Applicant respectfully traverses. The phrase "repo funding" would be instantly recognized by one of skill in the art as a customary term in the art meaning "repurchase agreement funding", and having not the meaning "repossession funding" as suggested by the Office Action. Claim 52 has been amended to explicitly present one or more elements implicit in the claim as originally written when viewed in light of the specification. Thus, reconsideration and withdrawal of this objection is respectfully requested.

2. The Indefiniteness Rejection

Claim 100 was rejected under 35 U.S.C. 112, second paragraph, as being indefinite. This rejection is respectfully traversed. Claim 100 has been amended to explicitly present one or

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more elements implicit in the claim as originally written when viewed in light of the specification. Thus, reconsideration and withdrawal of this rejection is respectfully requested.

3. The Obviousness Rejections

Each of claims 1-139 was rejected under 35 U.S.C. 103(a) as being unpatentable over various combinations of McMenamin ("Financial Management: An introduction"), Heath ("Strategic Issues Management: Organizations and Public Policy Challenges"), allegedly "disclosed prior art", and Stein (U.S. Patent No. 5,684,952). Each of these rejections is respectfully traversed.

A. Claim Construction

As an initial matter, Applicant notes that on 12 July 2005, the *en banc* Federal Circuit, in *Phillips v. AWH Corp.*, 415 F.3D 1303 (Fed. Cir. 2005), clarified that:

1. "[t]he Patent and Trademark Office ('PTO') determines the scope of claims in patent applications not solely on the basis of the claim language, but upon giving claims their broadest reasonable construction '**in light of the specification as it would be interpreted by one of ordinary skill in the art**'";
2. the words of a claim "are generally given their ordinary and customary meaning";
3. the ordinary and customary meaning of a claim term is "the meaning that the term would have to a person of ordinary skill in the art in question at the time of the invention, i.e., as of the effective filing date of the patent application";
4. "the person of ordinary skill in the art is deemed to read the claim term not only in the context of the particular claim in which the disputed term appears, but **in the context of the entire patent, including the specification**";
5. even "the context in which a term is used in the asserted claim can be highly instructive";
6. "the specification may reveal a special definition given to a claim term by the patentee that differs from the meaning it would otherwise possess. In such cases, the **inventor's lexicography governs**";

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7. even “when guidance is not provided in explicit definitional format, **the specification may define claim terms by implication** such that the meaning may be found in or ascertained by a reading of the patent documents”;
8. an “invention is construed not only in the light of the claims, but also with reference to the file wrapper or prosecution history in the Patent Office”; and
9. the “prosecution history... consists of the complete record of the proceedings before the PTO and **includes the prior art cited during the examination of the patent.**”

In the present Application, the customary meaning for the phrase “financial risk management function” is implicitly defined in the specification and the cited art. That definition must control examination of those claims that recite this phrase.

At least at page 1, lines 5-7, the specification of the present Application implicitly defines the term “financial risk management function” by stating that: “[t]he present invention relates to the field of financial risk management and trading, and, **more particularly**, to a method and system for clients to outsource financial functions to an agent.”

At least at page 2, lines 16-17, the specification of the present Application implicitly defines the term “financial risk management function” by stating that: “[t]ypical financial functions are treasury, credit management, risk management, and trading, together with several of their associated sub-functions.”

At least at page 3, lines 1-3, the specification of the present Application implicitly defines the term “financial risk management function” by stating that: “[t]he activities that make up these financial functions are the relevant daily operations of the front-office trading departments and the associated middle-office risk management and back-office support departments.”

Thus, the phrase “financial risk management function” should be construed as one of ordinary skill in the relevant art would interpret the definition provided in the specification.

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B. Official Notice

To the extent that Official Notice is explicitly or implicitly utilized to support any rejection, that rejection is respectfully traversed and citation and provision of a reference that specifically supports the rejection is respectfully requested. *See* MPEP 2144.03.

C. Inherency

Applicant notes that inherency “requires that the missing descriptive material is ‘necessarily present,’ not merely probably or possibly present, in the prior art.” *Trintec Indus., Inc. v. Top-U.S.A. Corp.*, 295 F.3d 1292, 1295, 63 USPQ2d 1597, 1599 (Fed. Cir. 2002).

To the extent that the present Office Action or any future Office Action intends to rely on inherency to support a claim rejection, Applicant respectfully traverses, respectfully requests provision of proper evidence supporting such rejection, and respectfully requests a detailed explanation of how the “missing descriptive material is necessarily present, not merely probably or possibly present”, in any prior art reference cited to support such rejection.

D. Allegedly “Disclosed Prior Art”

According to the Federal Circuit “[o]ne's own work may not be considered prior art in the absence of a statutory basis”. *Riverwood International Corp. v. R. A. Jones & Co., Inc.*, 324 F.3d 1346, 66 USPQ2d 1331 (Fed. Cir. 2003).

The present Office Action asserts that “applicant’s specification, pp. 1-2” is “Disclosed Prior Art”. Applicant respectfully traverses this assertion.

Although Applicant has submitted multiple Information Disclosure Statements that potentially list “prior art”, Applicant does not admit that pages 1-2 of Applicant’s specification describe “prior art”, nor has any evidence been presented that any aspect of pages 1-2 of Applicant’s specification can be used as prior art. Thus, no statement on pages 1-2 of Applicant’s specification can serve as a proper basis for claim rejections under 35 U.S.C. 103(a) and the attempt to do so in the present Office Action is improper and should be withdrawn.

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E. *Prima Facie* Criteria

Most inventions arise from a combination of old elements and each element may often be found in the prior art. *In re Rouffet*, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1457 (Fed. Cir. 1998). However, mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole. *Id.* at 1355, 1357. Instead, “[t]o reject claims in an application under section 103, an examiner must show an un rebutted *prima facie* case of obviousness.” *Id.* at 1355.

“To establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant’s disclosure.” *See* MPEP 2143.

Moreover, the “Patent Office has the initial duty of supplying the factual basis for its rejection.” *In re Warner*, 379 F.2d 1011, 154 USPQ 173, 178 (CCPA 1967), *cert. denied*, 389 U.S. 1057, *reh’g denied*, 390 U.S. 1000 (1968). “It may not... resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies in its factual basis”. *Id.*

“Once the examiner... carries the burden of making out a *prima facie* case of unpatentability, ‘the burden of coming forward with evidence or argument shifts to the applicant.’” *In re Alton*, 76 F.3d 1168, 37 USPQ2d 1578 (Fed. Cir. 1996) (*quoting In re Oetiker*, 977 F.2d at 1445, 24 USPQ2d at 1444).

None of the applied portions of the references relied upon in the Office Action, whether considered alone or in combination, establish a *prima facie* case of obviousness.

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F. Missing Claim Limitations

Each of independent claims 1, 112-114, and 136-139 recites, *inter alia*, at least one “financial risk management function”. The applied portions of McMenamin, Heath, and Stein do not expressly or inherently teach or suggest “financial risk management function”.

Claims 1-111 recite, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, a “computer-assisted method for providing financial risk management functions by an agent for each of a plurality of institutional or corporate clients”.

Claim 112 recites, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, a “**computer-readable medium storing instructions that, when executed by one or more processors, cause the one or more processors to perform activities comprising: relating to a financial risk management function of each of a plurality of institutional or corporate clients: demonstrating that more than one activity of the agent is transparent to the client**”.

Claim 113 recites, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, an “apparatus for providing financial risk management functions by an agent for each of a plurality of institutional or corporate clients”.

Each of claims 114-135 recites, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, a “computer-assisted method for a client to **outsource financial risk management functions to an agent representing a plurality of institutional or corporate clients**”.

Claim 136 recites, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, a “computer-readable medium storing instructions that, when executed by one or more processors, cause the one or more processors to perform activities comprising: providing financial information on one or more financial risk management functions of an institutional or corporate client to an agent”.

Claim 137 recites, *inter alia*, yet the combined applied portions of McMenamin, Heath, and Stein do not teach or suggest, expressly or inherently, an “apparatus for a client to **outsource**

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financial risk management functions to an agent representing a plurality of institutional or corporate clients”.

Each of claims 138 and 139 recites *inter alia*, yet the combined applied portions of McMnamin, Heath, and Stein do not teach or suggest, expressly or inherently, a “computer-assisted method for an agent to provide financial risk management functions to each of a plurality of institutional or corporate clients”.

Further, the Office Action does not even attempt to meet its evidentiary burden with regard to the rejection of many, if not all, of the claims. For example, the Office Action does not even attempt to identify a reference that discloses the limitations of dependent claims 27-32, 34-37, 39-111, and 131-132, and instead relies on the unsupported conclusion that the claimed subject matter is allegedly “old and well known”.

Thus, even if there were motivation or suggestion to modify or combine the applied portions of the references relied upon in the Office Action (an assumption that is respectfully traversed), and even if there were a reasonable expectation of success in combining or modifying the applied portions of the references relied upon in the Office Action (another assumption that is respectfully traversed), the applied portions of the references relied upon in the Office Action, as attempted to be modified and/or combined by the Office Action, still do not expressly or inherently teach or suggest every limitation of the claims, and consequently fail to establish a *prima facie* case of obviousness. Consequently, for at least the reasons mentioned above, reconsideration and withdrawal of these rejections is respectfully requested.

G. No Motivation or Suggestion to Combine the Applied References

“The examiner bears the initial burden of factually supporting any *prima facie* conclusion of obviousness.” MPEP 2142. The requirements for fulfilling this burden are explicit and straightforward, particularly when a combination of references is asserted.

“[T]he examiner must show reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed.” (emphasis added). *In re Rouffet*, 149 F.3d 1350, 1357, 47 USPQ2d 1453, 1458 (Fed. Cir. 1998). To show

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these reasons, “[p]articular findings must be made”. *In re Kotzab*, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1317 (Fed. Cir. 2000). Such factual findings must be supported by “concrete evidence in the record”. *In re Zurko*, 258 F.3d 1379, 1385-86, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001).

Moreover, a showing of combinability must be “clear and particular”. *In re Dembiczak*, 175 F.3d 994, 999, 50 USPQ2d 1614, 161(Fed. Cir. 1999). That strong showing is needed because, “**obviousness requires proof** ‘that the skilled artisan . . . would select the elements from the cited prior art references for combination in the manner claimed’”. *In re Scott E. Johnston*, No. 05-1321, Fed. Cir.; 30 January 2006; 2006 US App. LEXIS 2282 (quotation omitted) (emphasis added).

Consequently, an Office Action must clearly and objectively prove that each applied reference is “within the field of the inventor’s endeavor”, and if not, “is reasonably pertinent to the **particular problem** with which the inventor was involved”. *See In re Dillon*, 919 F.2d 688, 694 (Fed. Cir. 1990) (*en banc*) (emphasis added). Again, such factual findings must be supported by “concrete evidence in the record”. *In re Zurko*, 258 F.3d 1379, 1385-86, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001).

In addition, “[t]he patent examination process centers on prior art and the analysis thereof. When patentability turns on the question of obviousness, the search for and analysis of the prior art includes evidence relevant to the finding of whether there is a teaching, motivation, or suggestion to select and combine the references relied on as evidence of obviousness.” *In re Sang-Su Lee*, 277 F.3d 1338, 1342, 61 USPQ2d 1430, 1433 (Fed. Cir. 2002). Thus, the Office Action must clearly and objectively prove some “suggestion, motivation, or teaching in the prior art that would have led a person of ordinary skill in the art to”:

“select the references”;

“select the teachings of [the] separate references”; and

“combine [those teachings] in the way that would produce the claimed invention”.

In re Scott E. Johnston, No. 05-1321, Fed. Cir.; 30 January 2006; 2006 US App. LEXIS 2282) (internal citations omitted). *See also In re Dance*, 160 F.3d 1339, 1343, 48 USPQ2d 1635, 1637 (Fed. Cir. 1998) (discussing the “the test of whether it would have been obvious to select

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specific teachings and combine them as did the applicant”) (emphasis added); and *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1143, 227 USPQ 543, 551 (Fed. Cir. 1985) (“When prior art references require selective combination... to render obvious a subsequent invention, there must be some reason for the combination other than the hindsight gleaned from the invention itself.”). As always, such factual findings must be supported by “concrete evidence in the record”. *In re Zurko*, 258 F.3d 1379, 1385-86, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001).

Further, this obviousness standard applies regardless of whether the Office Action relies upon modifying or combining purported teachings.

Although couched in terms of combining teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious modification of the prior art. The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the **desirability** of the modification.... It is impermissible to use the claimed invention as an instruction manual or template to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention.

In re Fritch, 972 F.2d 1260, 23 USPQ 2d 1780, 1783-1784 (Fed. Cir. 1992) (citing *In re Gorman*, 933 F.2d 982, 987, 18 USPQ2d 1885, 1888 (Fed. Cir. 1991); *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1138, 227 USPQ 543, 547 (Fed. Cir. 1985); and *In re Fine*, 837 F.2d 1071, 1075, 5 USPQ 2d 1596, 1600 (Fed. Cir. 1988) (internal quotations omitted) (emphasis added)).

Therefore, the Office Action also must clearly and objectively prove that the “prior art suggested the **desirability**” of that modification or combination. *See also Akamai Techs. v. Cable & Wireless Internet Servs.*, 344 F.3d 1186, 68 USPQ 2d 1186 (Fed. Cir. 2003) (“[w]hen determining the patentability of a claimed invention which combines two known elements, the question is whether there is something in the prior art as a whole to suggest the **desirability**, and thus the obviousness, of making the combination.”) (emphasis added). Once again, such factual

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findings must be supported by "concrete evidence in the record". *In re Zurko*; 258 F.3d 1379, 1385-86, 59 USPQ2d 1693, 1697 (Fed. Cir. 2001).

Yet regarding the rejections of claims 1-139, the present Office Action presents **no proof**, no concrete evidence, **and notably no evidence** whatsoever, of any "suggestion, motivation, or teaching in the prior art that would have led a person of ordinary skill in the art to":

1. "select the references";
2. "select the teachings of [the] separate references"; or
3. "combine [those teachings] in the way that would produce the claimed invention".

Moreover, the present Office Action presents **no proof**, no concrete evidence, **and indeed no evidence, of anything** "in the prior art as a whole to suggest the **desirability**, and thus the obviousness, of making the **combination**." Thus, the Office Action fails to present the required **proof** of obviousness. Consequently, Applicant respectfully requests withdrawal of the obviousness rejections of claims 1-139.

Instead, regarding selected proffered combinations, the present Office Action improperly states that "McMenamin discloses a method for providing financial functions (financial management)". This is a mischaracterization of McMenamin and the claimed subject matter. At most, the cited portions of McMenamin allegedly provide an "introduction" to "financial management". The cited portions of McMenamin do not teach or disclose any "computer-assisted methods" for providing "financial risk management functions" by "an agent", and Applicant respectfully submits that Office Action presents no reasons, and certainly no "concrete evidence" that "the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select" anything from McMenamin.

Likewise, Applicant respectfully submits that Office Action presents no reasons that "the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select" anything from Heath. Instead, it seems quite likely that one of skill in the art would instantly reject Heath as completely irrelevant, since Heath is a reference allegedly directed to the "public policy challenges" facing "organizations", rather than "financial risk management functions". Heath explains that "the heart of issues management is reconciliation of conflicting internal interests on public policy issues of strategic importance in

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order to make a coherent external advocacy". Applicant respectfully asks how the "reconciliation of conflicting internal interests on public policy issues" relates in the least to the claimed subject matter? Applicant also respectfully asks where is the concrete evidence that Heath is "within the field of the inventor's endeavor", and if not, "is reasonably pertinent to the particular problem with which the inventor was involved"?

Similarly, Applicant respectfully submits that Office Action presents no reasons, and certainly no "concrete evidence", that "the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select" anything from Stein.

Furthermore, even assuming, *arguendo*, that "the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select" McMenamin, Heath, and Stein, the Office Action presents no concrete evidence of a suggestion, motivation, or teaching in the prior art that would have led a person of ordinary skill in the art to combine these references in the manner claimed.

H. No Reasonable Expectation of Success

Even "if all the elements of [a claim] are found in a combination of prior art references", "a proper analysis under § 103 requires, *inter alia*, consideration of ... whether the prior art would also have revealed that in so making or carrying out, those of ordinary skill would have a reasonable expectation of success'" *Medichem, S.A. v. Rolabo, S.L.* (Fed. Cir. February 3, 2006) (quoting *Velander v. Garner*, 348 F.3d 1359, 1363 (Fed. Cir. 2003) (citing *Graham v. John Deere Co.*, 383 U.S. 1, 17 (1966))).

Regarding the rejections of claims 1-139, even if there were motivation or suggestion to modify or combine the applied portions of the references relied upon in the Office Action (an assumption that is respectfully traversed), and even if the applied portions of the references relied upon in the Office Action, as attempted to be modified and/or combined by the Office Action, expressly or inherently teach or suggest every limitation of claims 1-139 (another assumption that is respectfully traversed), there is still no reasonable expectation of success in combining or modifying the applied portions of the references relied upon in the Office Action, and consequently, the Office Action fails to establish a *prima facie* case of obviousness.

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Consequently, for at least the reasons mentioned above, reconsideration and withdrawal of the rejections of claims 1-139 is respectfully requested.

I. The Next Office Action

It is respectfully noted that because the Office Action fails to set forth sufficient facts to provide a *prima facie* basis for the rejections, any future rejection based on the applied reference will necessarily be factually based on an entirely different portion of that reference, and thus will be legally defined as a "new grounds of rejection." Consequently, any Office Action containing such rejection can not properly be made final. *See In re Wiechert*, 152 U.S.P.Q. 247, 251-52 (C.C.P.A. 1967) (defining "new ground of rejection" and requiring that "when a rejection is factually based on an entirely different portion of an existing reference the appellant should be afforded an opportunity to make a showing of unobviousness vis-a-vis such portion of the reference"), and *In re Warner*, 379 F.2d 1011, 154 USPQ 173, 178 (C.C.P.A. 1967) (the USPTO "has the initial duty of supplying the factual basis for its rejection").

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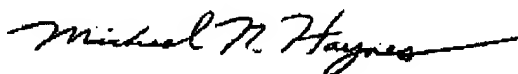
CONCLUSION

It is respectfully submitted that, in view of the foregoing amendments and remarks, the application as amended is in clear condition for allowance. Reconsideration, withdrawal of all grounds of rejection, and issuance of a Notice of Allowance are earnestly solicited.

The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. 1.16 or 1.17 to Deposit Account No. 50-2504. The Examiner is invited to contact the undersigned at 434-972-9988 to discuss any matter regarding this application.

Respectfully submitted,

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